

TRANSCRIPT PREPARED BY THE CLERK OF THE LEGISLATURE
Transcriber's Office
FLOOR DEBATE

February 24, 2005 LB 71

grown only in the Panhandle, around this area. And so there was an opportunity for us, as the lowest-cost producer of dry edible beans, to be able to justify purchasing the processing facility. And the funds that were available to that company, or to that cooperative, under the original bill, LB 1348, secured an opportunity for those farmers to again share in the total value of the processing of that crop. Now, in the bean industry it's quite unique, because the margins are generally between \$7 and \$10. So in other words, what I would receive as a farmer may be \$7 or \$10 less than what the processor would sell them on the world market. With the purchase of this facility, those margins have shrunk substantially, down to between \$2 and \$5. So what that means is, regardless of whether you're an actual member in that cooperative or not, the simple fact that there was funding available, a limited amount, that was matched by the farmers to be able to accomplish some of the administrative costs that they needed to do to be positioned and, might I add, according to what Senator Raikes' question, actually work with the university and the Institute of Ag, through the Panhandle Research Center, to do the study necessary to ensure it would be viable...

SENATOR CUDABACK: One minute.

SENATOR ERDMAN: ...to partner with them, then they've provided the opportunity for all producers of dry edible beans in our area to be more profitable, because we have shrunk the margins, because of the competition that is now there that is owned by the farmers, that is controlled by the farmers. So there are values. This is a specific example...these are two specific examples, excuse me, of where the program has worked. If you're going to ask me on priorities, I say we spend the money, as Senator Landis pointed out, where we get the most bang for our buck. In my area, we've seen the success of this program. And I think the details could be worked out to see future successes throughout the state. Thank you, Mr. President.

SENATOR CUDABACK: Thank you, Senator Erdman. Senator Stuthman, on the motion to bracket LB 71.

SENATOR STUTHMAN: Thank you, Mr. President, members of the body. I want the people to realize, you know, that I am not